Amendments to Claims:

This listing of claims will replace all prior versions, and listings, of claims in the application:

Listing of Claims:

1.   (Currently Amended) A method

receiving, by [[the]] a computer based system for administering an auction, a first bid on a first auction item being auctioned within [[the]] an auction system, wherein the first bid is associated with a rewards account, wherein the rewards account has a rewards account balance, wherein the rewards account was registered with the auction system, and wherein the auction system manages a plurality of auctions;

confirming, by the computer based system, the rewards account balance is sufficient to cover the first bid;

~~allocating, by the computer based system, a first portion of the rewards account balance to the first bid;~~

~~reserving to a pending status, by the computer based system, the first portion of the rewards account balance such that the first portion is unavailable in the rewards account balance;~~

placing, by the computer based system, the first bid for the first auction item;

receiving, by the computer based system, a second bid on a second auction item being auctioned within the auction system, wherein the second bid is associated with the rewards account,

placing, by the computer based system, the second bid for the second auction item;

monitoring, by the computer based system, the first bid and the second bid, wherein a total bid amount of the first bid and the second bid exceed the rewards account balance;

~~determining, by the computer based system, if the first bid is accepted;~~

~~releasing form the pending status, by the computer based system, the first portion of the rewards account balance, in response to the first bid not being accepted;~~

~~receiving, by the computer based system, a second bid on a second auction item being auctioned within the auction system, wherein the second bid is associated with the rewards account;~~

~~determining, by the computer based system, if the rewards account balance is sufficient to cover the second bid;~~

~~placing, by the computer based system, the second bid for the second auction item, in response to the rewards account balance being sufficient; and~~

~~requesting, by the computer based system, a new bid for the second auction item, in response to the rewards account balance being insufficient~~

receiving, by the computer based system, an indication from the auction system that at least one of the first bid is the winning bid for the first item and the second bid is the winning bid for the second item;

reducing, by the computer based system, the rewards account balance by an amount corresponding to at least one of the first bid and the second bid, in response to the indication from the auction system, wherein the account balance is not greater than at least one of the first bid and the second bid which is still pending; and

canceling, by the computer based system, at least one of the first bid and the second bid, in response the receiving the indication from the auction system.

2-3.   (Cancelled)

4.   (Previously Presented) The method of claim 1 further comprising:

querying, by the computer based system, the auction system to verify that the auction system accepts the rewards account for payment during participation in the auction;

transmitting, by the computer based system, the account data to the auction system.

5-6.   (Cancelled)

7.   (Original) The method of claim 6 further comprising:

querying, by the computer based system, the auction system to verify that the first bid exceeds the amount of any previous bid for the first auction item;

querying, by the computer based system, the auction system to verify that the first bid exceeds any minimum bid amount set for at the first auction item; and

transmitting, by the computer based system, the first bid to the auction system.

8-11.   (Canceled).

12.   (Currently Amended) The method of claim 1 further comprising:

~~debiting, by the computer based system, a winning bid amount from the rewards account;~~ ~~and~~

transmitting, by the computer based system, a credit based on the winning bid amount to a merchant who sold the auction item

13.   (Previously Presented) The method of claim 1 further comprising providing reward account details and account history data, wherein the account history data-includes at least one of dates and descriptions of items bid on, winning bid amounts, and current bid status.

14.   (Previously Presented) The method of claim 1 further comprising at least one of adding and removing rewards accounts.

15-16. (Cancelled)

17.   (Previously Presented) The method of claim 1, wherein the rewards account is associated with a transaction account.

18.   (Previously Presented) The method of claim 1, wherein the rewards account has a point value which is converted to a monetary value in response to registering the rewards account with the auction system.

19.   (Previously Presented) The method of claim 1, wherein the rewards account has a point value which is converted to a monetary value in response to registering the rewards account with the auction system, wherein the auction system is a third party system operated independently from the computer based system.

20.   (Previously Presented) The method of claim 12, wherein the credit is a monetary value transmitted to the merchant.

21.   (Previously Presented) The method of claim 1, wherein the auction system is operated independently from the computer based system.

22.   (Currently Amended) A tangible computer-readable storage medium having non-transitory computer-executable instructions stored thereon that, if executed by a computer based system for managing ~~on-line~~ auctions, cause the computer based system to perform operations comprising:

receiving, by the computer based system, a first bid on a first auction item being auctioned within [[the]] an auction system, wherein the first bid is associated with a rewards account, wherein the rewards account has a rewards account balance, wherein the rewards account was registered with the auction system, and wherein the auction system manages a plurality of auctions;

confirming, by the computer based system, the rewards account balance is sufficient to cover the first bid;

~~allocating, by the computer based system, a first portion of the rewards account balance to the first bid;~~

~~reserving to a pending status, by the computer based system, the first portion of the rewards account balance such that the first portion is unavailable in the rewards account balance;~~

placing, by the computer based system, the first bid for the first auction item;

receiving, by the computer based system, a second bid on a second auction item being auctioned within the auction system, wherein the second bid is associated with the rewards account,

placing, by the computer based system, the second bid for the second auction item;

monitoring, by the computer based system, the first bid <u>and the second bid, wherein a total</u> <u>bid amount of the first bid and the second bid exceed the rewards account balance;</u>

~~determining, by the computer based system, if the first bid is accepted;~~

~~releasing from the pending status, by the computer based system, the first portion of the~~ ~~rewards account balance, in response to the first bid not being accepted;~~

~~receiving, by the computer based system, a second bid on a second auction item being~~ ~~auctioned within the auction system, wherein the second bid is associated with the rewards account;~~

~~determining, by the computer based system, if the rewards account balance is sufficient to~~ ~~cover the second bid;~~

~~placing, by the computer based system, the second bid for the second auction item, in~~ ~~response to the rewards account balance being sufficient; and~~

~~requesting, by the computer a new bid for the second auction item, in response to the~~ ~~rewards account balance being insufficient~~

<u>receiving, by the computer based system, an indication from the auction system that at least</u> <u>one of the first bid is the winning bid for the first item and the second bid is the winning bid for the</u> <u>second item;</u>

<u>reducing, by the computer based system, the rewards account balance by an amount</u> <u>corresponding to at least one of the first bid and the second bid in response to the indication from</u> <u>the auction system, wherein the account balance is not greater than at least one of the first bid and</u> <u>the second bid which is still pending; and</u>

<u>canceling, by the computer based system, at least one of the first bid and the second bid, in</u> <u>response the receiving the indication from the auction system.</u>

23.   (Currently Amended) A system comprising:

a network interface communicating with a memory;

the memory communicating with a processor; and

the processor, when executing a computer program, is configured to:

receive a first bid on a first auction item being auctioned within [[the]] <u>an</u> auction system, wherein the first bid is associated with a rewards account, wherein the rewards account has a rewards account balance, wherein the rewards account was registered with the auction system, and wherein the auction system manages a plurality of auctions;

confirm the rewards account balance is sufficient to cover the first bid;

~~allocate a first portion of the rewards account balance to the first bid;~~

~~reserve to a pending status, the first portion of the rewards account balance such that the first portion is unavailable in the rewards account balance;~~

place the first bid for the first auction item;

receive a second bid on a second auction item being auctioned within the auction system, wherein the second bid is associated with the rewards account,

place the second bid for the second auction item;

monitor the first bid and the second bid, wherein a total bid amount of the first bid and the second bid exceed the rewards account balance;

~~determine if the first bid is accepted;~~

~~release from the pending status, the first portion of the rewards account balance, in response to the first bid not being accepted;~~

~~receive a second bid on a second auction item being auctioned within the auction system, wherein the second bid is associated with the rewards account;~~

~~determine if the rewards account balance is sufficient to cover the second bid;~~

~~place the second bid for the second auction item, in response to the rewards account balance being sufficient; and~~

~~request a new bid for the second auction item, in response to the rewards account balance being insufficient~~

receive an indication from the auction system that at least one of the first bid is the winning bid for the first item and the second bid is the winning bid for the second item;

reduce the rewards account balance by an amount corresponding to at least one of the first bid and the second bid in response to the indication from the auction system, wherein the account balance is not greater than at least one of the first bid and the second bid which is still pending; and

cancel at least one of the first bid and the second bid, in response the receiving the indication from the auction system.